

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

The Commonwealth of Puerto Rico, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

The Puerto Rico Electric Power Authority,

Debtor.

PROMESA

Title III

No. 17 BK 4780-LTS

**Court Filing Relates Only to
PREPA and Shall Only be Filed
in Case No. 17 BK 4780-LTS and
Main Docket 17 BK 3283-LTS**

**ELEVENTH SUPPLEMENTAL VERIFIED STATEMENT OF
THE AD HOC GROUP OF PREPA BONDHOLDERS PURSUANT
TO FEDERAL RULE OF BANKRUPTCY PROCEDURE 2019**

Pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure (“**Bankruptcy Rule 2019**”), this supplemental verified statement (the “**Eleventh Supplemental Statement**”) is submitted by certain holders (the “**Ad Hoc Group of PREPA Bondholders**” or the “**Ad Hoc Group**”) of Power Revenue Bonds and Power Revenue Refunding Bonds

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19 BK 5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

(collectively, the “**Bonds**”) issued by the Puerto Rico Electric Power Authority (“**PREPA**”) under a trust agreement between PREPA and U.S. Bank National Association, as successor trustee, dated January 1, 1974, as amended and supplemented, in connection with the case (“**PREPA Title III Case**”) commenced by the above-captioned debtor on July 2, 2017 under Title III of PROMESA.

In support of the Eleventh Supplemental Statement, the Ad Hoc Group respectfully states as follows:

1. As of the date of this Eleventh Supplemental Statement, in this Title III Case, the undersigned represent the Ad Hoc Group (each holder in the Ad Hoc Group, a “**Member**”).

2. On or about June 26 and June 27, 2014, certain funds managed or advised by OppenheimerFunds, Inc. (“**Oppenheimer**”) and Franklin Advisers, Inc. (“**Franklin**”) retained Kramer Levin Naftalis & Frankel LLP (“**Kramer Levin**”) to challenge as unconstitutional the recently passed and soon to be enacted Puerto Rico Debt Enforcement and Recovery Act. Over the course of the next two months, certain holders of Bonds, including Franklin and Oppenheimer, contacted and then engaged Kramer Levin to represent a group of holders in connection with a potential restructuring of the Bonds. From time to time thereafter, certain additional holders of the Bonds have joined the Ad Hoc Group.

3. On August 2, 2017, counsel to the Ad Hoc Group submitted the *Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Bankruptcy Rule 2019* [Case No. 17-4780, Dkt. No. 164]. On November 7, 2017, counsel to the Ad Hoc Group submitted the *First Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 407]. On December 13, 2017, counsel to the Ad Hoc Group submitted the *Second Supplemental Verified Statement of*

the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019 [Case No. 17-4780, Dkt. No. 490]. On February 6, 2018, counsel to the Ad Hoc Group submitted the *Third Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 633]. On August 15, 2018, counsel to the Ad Hoc Group submitted corrected versions of the Verified Statement, the Second Supplemental Verified Statement and the Third Supplemental Verified Statement [Case No. 17-4780, Dkt. Nos. 939, 941 and 940, respectively]. On September 11, 2018, counsel to the Ad Hoc Group submitted the *Fourth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 959]. On November 29, 2018, counsel to the Ad Hoc Group submitted the *Fifth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1037]. On May 10, 2019, counsel to the Ad Hoc Group submitted the *Sixth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1237]. On August 23, 2019, counsel to the Ad Hoc Group Submitted the *Seventh Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1610]. On November 13, 2019, counsel to the Ad Hoc Group submitted the *Eighth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1735]. On November 27, 2019, counsel to the Ad Hoc Group submitted the *Ninth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1789]. On January 21, 2020, counsel to the Ad Hoc Group submitted the *Tenth Supplemental Verified Statement of the*

Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019 [Case No. 17-4780, Dkt. No. 1871]. Counsel to the Ad Hoc Group submits this Eleventh Supplemental Statement to update the disclosable economic interests currently held by Members of the Ad Hoc Group.

4. The Members of the Ad Hoc Group hold, or are the investment advisors or managers of funds or accounts that hold, approximately \$3.3 billion in aggregate principal amount of the uninsured Bonds, and approximately \$252.4 million in aggregate principal amount of the insured Bonds, both as of February 26, 2020. In accordance with Bankruptcy Rule 2019, the address and nature and amount of all disclosable economic interests for each Member is set forth in Exhibit A. The information contained in Exhibit A is based upon information provided by the Members to Kramer Levin and is subject to change.

5. As of the date of this Eleventh Supplemental Statement, the undersigned represent only the Ad Hoc Group in connection with the PREPA Title III Case and does not represent or purport to represent any other entities with respect to PREPA's Title III Case.² In addition, each Member of the Ad Hoc Group (a) does not assume any fiduciary or other duties to any other creditor or person and (b) does not purport to act, represent or speak on behalf of any other entities in connection with the PREPA Title III case.

6. Nothing contained in this Eleventh Supplemental Statement (or Exhibit A hereto) is intended to or should be construed to constitute (a) a waiver or release of any claims filed or to be filed against or interests in PREPA held by any Member, its affiliates or any other

² The undersigned also represent certain entities, including certain Members and still other non-Members, in connection with debt issued by the Commonwealth of Puerto Rico and its instrumentalities, including issuers that are debtors under PROMESA Title III cases pending in this Court. The undersigned do not represent such non-Members in connection with this Title III Case and those non-Members do not hold Bonds or disclosable economic interests relating to PREPA.

entity, or (b) an admission with respect to any fact or legal theory. Nothing herein should be construed as a limitation upon, or waiver of, any rights of any Member to assert, file and/or amend any proof of claim in accordance with applicable law and any orders entered in these cases.

7. The undersigned verify that the foregoing is true and correct to the best of their knowledge.

8. The undersigned reserve the right to amend or supplement this Eleventh Supplemental Statement.

I HEREBY CERTIFY that I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will notify case participants.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, March 3, 2020.

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**Admitted Pro Hac Vice*

*Counsel for the Ad Hoc Group of
PREPA Bondholders*

Exhibit A

Name of Creditor ¹	Address	Debtor	Nature and Amount of Disclosable Economic Interest ²	
			Bonds ³	Other
BlackRock Financial Management, Inc. , or an affiliate thereof, on behalf of certain funds and accounts under management ⁴	40 East 52nd Street New York, NY 10022	Commonwealth of Puerto Rico ⁵	Uninsured: \$316,777,000 Insured: \$0	\$0
		HTA (Puerto Rico Highways and Transportation Authority)	Uninsured: \$0 Insured: \$0	\$0
		ERS (Employees Retirement System of Puerto Rico)	Uninsured: \$0 Insured: \$0	\$0
		PREPA (Puerto Rico Electric Power Authority)	Uninsured: \$697,352,909 Insured: \$0	\$0
		PBA (Public Buildings Authority)	Uninsured: \$21,815,000 Insured: \$0	\$0

¹ Each entity listed holds disclosable economic interests, or acts as investment advisor or manager to funds and/or accounts or their respective subsidiaries that hold disclosable economic interests, in relation to the Debtors.

² To the best of counsel's knowledge, the information included herein is accurate as of February 26, 2020. The amounts set forth herein include only outstanding principal and do not include overdue interest, interest on overdue interest and principal, and accrued interest or other amounts that may be owing under the applicable debt documents and laws. In addition, the amounts set forth herein do not include any disclosable economic interests that are subject to pending trades or other transfers that have not settled or otherwise been closed as of February 26, 2020.

In addition to the disclosable economic interests listed below, it should be noted that pursuant to paragraph 12 of the Amended Order and Judgment Confirming the Third Amended Title III Plan of Adjustment of COFINA (the "**COFINA Plan**"), Case No. 17-3284 [ECF No. 561], all COFINA bonds were canceled on February 12, 2019. Members of the Ad Hoc Group may hold new COFINA securities issued under the COFINA Plan.

³ With respect to any Capital Appreciation Bonds ("**CABs**") held by the members, the amounts disclosed consist of the CABs at their accreted principal amount, calculated as of February 26, 2020, and not the amount due upon maturity.

⁴ The holdings information contained herein relates only to those BlackRock funds and accounts that are part of the Ad Hoc Group.

⁵ Includes bonds guaranteed by the Commonwealth of Puerto Rico that are issued by a Commonwealth instrumentality, other than the Public Buildings Authority.

Name of Creditor ¹	Address	Debtor	Nature and Amount of Disclosable Economic Interest ²	
			Bonds ³	Other
Franklin Advisers, Inc. , on behalf of accounts managed or advised by it.	One Franklin Parkway, San Mateo, CA 94403	Commonwealth of Puerto Rico	Uninsured: \$0 Insured: \$0	\$0
		HTA (Puerto Rico Highways and Transportation Authority)	Uninsured: \$0 Insured: \$0	\$0
		ERS (Employees Retirement System of Puerto Rico)	Uninsured: \$0 Insured: \$0	\$0
		PREPA (Puerto Rico Electric Power Authority)	Uninsured: \$529,265,000 Insured: \$5,000,000	\$0
		PBA (Public Buildings Authority)	Uninsured: \$0 Insured: \$0	\$0
GoldenTree Asset Management LP , on behalf of funds and/or accounts managed or advised by it.	300 Park Avenue, 21 st Floor New York, NY 10021	Commonwealth of Puerto Rico	Uninsured: \$161,898,292 Insured: \$48,843,907	\$0
		HTA (Puerto Rico Highways and Transportation Authority)	Uninsured: \$0 Insured: \$6,548,000	\$0
		ERS (Employees Retirement System of Puerto Rico)	Uninsured: \$0 Insured: \$0	\$0
		PREPA (Puerto Rico Electric Power Authority)	Uninsured: \$695,866,318 Insured: \$99,044,776	\$0
		PBA (Public Buildings Authority)	Uninsured: \$497,326,000 Insured: \$19,570,000	\$0
Funds managed by Invesco Advisers, Inc. , that are successors in interest to funds managed by OppenheimerFunds, Inc. as	350 Linden Oaks, Rochester, NY 14625	Commonwealth of Puerto Rico	Uninsured: \$560,355,000 Insured: \$47,776,075	\$0
		HTA (Puerto Rico Highways and Transportation Authority)	Uninsured: \$304,003,500 Insured: \$59,935,000	\$0

Name of Creditor ¹	Address	Debtor	Nature and Amount of Disclosable Economic Interest ²	
			Bonds ³	Other
part of Invesco Ltd.'s (an affiliate of Invesco Advisers, Inc.) acquisition of OppenheimerFunds, Inc.		ERS (Employees Retirement System of Puerto Rico)	Uninsured: \$42,395,000 Insured: \$0	\$0
		PREPA (Puerto Rico Electric Power Authority)	Uninsured: \$461,876,984 Insured: \$126,690,000	\$0
		PBA (Public Buildings Authority)	Uninsured: \$256,512,345 Insured: \$37,335,000	\$0
Knighthood Capital Management, LLC , on behalf of funds and/or accounts managed or advised by it.	1140 Avenue of the Americas, 12 th Floor, New York, NY 10036	Commonwealth of Puerto Rico	Uninsured: \$0 Insured: \$0	\$0
		HTA (Puerto Rico Highways and Transportation Authority)	Uninsured: \$0 Insured: \$0	\$0
		ERS (Employees Retirement System of Puerto Rico)	Uninsured: \$0 Insured: \$0	\$0
		PREPA (Puerto Rico Electric Power Authority)	Uninsured: \$13,295,103 Insured: \$0	\$0
		PBA (Public Buildings Authority)	Uninsured: \$0 Insured: \$0	\$0
Nuveen Asset Management, LLC , as investment adviser on behalf of certain funds/accounts, severally and not jointly.	333 West Wacker Dr. Chicago, IL 60606	Commonwealth of Puerto Rico	Uninsured: \$22,900,000 Insured: \$28,015,000	\$0
		HTA (Puerto Rico Highways and Transportation Authority)	Uninsured: \$7,680,000 Insured: \$22,100,000	\$0
		ERS (Employees Retirement System of Puerto Rico)	Uninsured: \$0 Insured: \$0	\$0
		PREPA (Puerto Rico Electric Power Authority)	Uninsured: \$853,068,000 Insured: \$21,690,000	\$0

Name of Creditor ¹	Address	Debtor	Nature and Amount of Disclosable Economic Interest ²	
			Bonds ³	Other
		PBA (Public Buildings Authority)	Uninsured: \$8,070,000 Insured: \$1,825,000	\$0
P. Schoenfeld Asset Management LP , on behalf of certain funds and/or accounts managed or advised by it.	1350 Avenue of the Americas – 21st Floor New York, NY 10019	Commonwealth of Puerto Rico	Uninsured: \$0 Insured: \$0	\$0
		HTA (Puerto Rico Highways and Transportation Authority)	Uninsured: \$0 Insured: \$0	\$0
		ERS (Employees Retirement System of Puerto Rico)	Uninsured: \$0 Insured: \$0	\$0
		PREPA (Puerto Rico Electric Power Authority)	Uninsured: \$31,255,000 Insured: \$0	\$0
		PBA (Public Buildings Authority)	Uninsured: \$0 Insured: \$0	\$0